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UNCLAS HARARE 000579

SIPDIS

STATE FOR AF/S  
NSC FOR SENIOR AFRICA DIRECTOR JFRAZER  
USDOC FOR AMANDA HILLIGAS  
TREASURY FOR OREN WYCHE-SHAW  
PASS USTR FLORIZELLE LISER  
STATE PASS USAID FOR MARJORIE COPSON

E. O. 12958: N/A  
TAGS: [SENV](#) [EAID](#) [BTIO](#) [EINV](#) [ECON](#) [PGOV](#) [ZI](#)  
SUBJECT: GOZ could nationalize conservancies

1. Summary: There is increasing worry the GOZ will nationalize nature conservancies. Robert Mugabe's Government may view redistribution of wildlife assets as the logical next phase of land reform. If mishandled, however, such a move could harm the Zimbabwe's wildlife and recovery prospects. End summary.

#### Proposed Scheme

2. An internal but widely leaked report calls for the GOZ to acquire private conservancies, then divide the businesses into multiple shares. Half the conservancy shares would go to current owners, the other half to new black owners - both would lease wildlife lands back from the GOZ. During the following five years, former owners would gradually pass another 30 percent to new owners and end up with a 20-percent stake. Since some conservancies are already black-owned, it is unclear whether the GOZ would also subject black-owned conservancies to this process. In its redistribution of farms, the GOZ has generally left black-owned commercial farms untouched. (Note: We are aware of two nature conservancies with white American citizen-property owners that the plan would affect.) The SAVE conservancy in Masvingo province has been attempting to work out an arrangement with Special Affairs Minister John Nkomo where owners would partner with an indigenous group and avoid nationalization of their assets.

#### Comment

3. For Zimbabwe, this is big business. Wildlife areas comprise twenty percent of the country's farmland and five percent of its total area. Ecotourism and hunting could easily generate several hundred millions U.S. dollars annually after political transition. Chaotic fast-track land reform has already carried serious environmental and economic consequences. While increased indigenous ownership in the wildlife industry makes sense in a country whose population is over 99 percent black, we fear a hasty and haphazard approach could harm wildlife and recovery potential. It is unlikely existing owners would participate in a plan that makes them twenty percent minority shareholders in the new businesses. Many have already invested substantial resources to restock and protect wildlife. Conservancies could rapidly become underfunded, subjecting wildlife to dangers such as poaching, fires, over-hunting, foot-and-mouth viruses, insufficient water access and poor fence maintenance.

Sullivan